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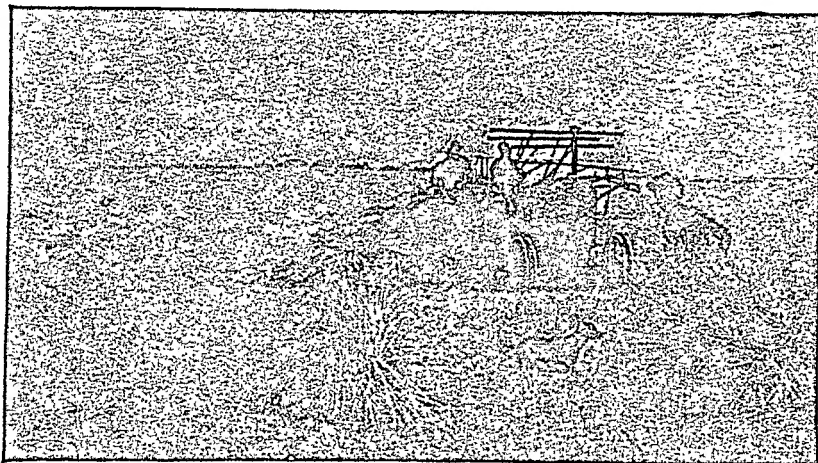
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3. SASKATCHEWAN

## PLANS for PROGRESS

A Summary of Legislation passed at the  
Special Session of the Saskatchewan  
Legislature, October 19-November 10, 1944.



THE BUREAU OF PUBLICATIONS  
Legislative Building,  
REGINA, SASK.



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# INDEX

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LABOUR .....	7
Trade Union Act, 1944—Annual Holidays Act, 1944— Department of Labour Act, 1944.	
CO-OPERATION .....	13
Department of Co-operation and Co-operative Development Act, 1944.	
HEALTH .....	15
Health Services Act, 1944—Amendments to Public Health Act and Mental Hygiene Act.	
RECONSTRUCTION .....	19
Department of Reconstruction and Rehabilitation Act, 1944— Reconstruction and Rehabilitation Fund Act, 1944.	
EDUCATION .....	21
Larger School Units Act, 1944— Amendment to School Act.	
FARM SECURITY .....	25
Farm Security Act, 1944— Amendments to Exemptions Act.	
PURCHASING AGENCY .....	29
Purchasing Agency Act, 1944.	
INSURANCE .....	30
Government of Saskatchewan Insurance Act, 1944	
SOCIAL WELFARE .....	32
Department of Social Welfare Act, 1944—Social Aid Act, 1944— Amendments to Child Welfare Act and Old Age and Blind Persons' Pension Act	
NATURAL RESOURCES .....	34
Department of Natural Resources Act Amendments— Mineral Taxation Act, 1944—Fisheries Act, 1944— Amendments to Forest Act and Fur Act	
LOCAL GOVERNMENT BOARD .....	37
Amendments to Local Government Board (Special Powers) Act	
FARM LOANS .....	39
Farm Loans Act, 1944—Amendments to Treasury Department Act—Repeal of Provincial Tax Commission Act	

## Foreword

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On June 15, 1944, the people of Saskatchewan put into power the first C.C.F. Government to be elected in Canada. Since then the eyes of the Dominion have been upon this new provincial administration, pledged to put into effect a definite and far-reaching program of legislation.

Several months have gone by since June, 1944. The members of the new government have been installed in office. They have spent long hours picking up the threads of the routine inevitable to their jobs. They have studied individually and discussed collectively ways and means of implementing the changes they deem essential. And, at the special session of the legislature in the fall of 1944 they took their first crucial steps in laying a framework of legislation.

Here, they had to build the foundation on which to erect the type of administration they had envisaged, and which they believe to be in the best interests of the people of the province.

From the 76 measures enacted at this special session, many of them of major importance, has emerged the pattern of administration for Saskatchewan under a C.C.F. Government. Whatever the reaction, even its sharpest critics cannot maintain that the government has fathered a do-nothing program. It is definite, clear-cut, in many of its aspects bold and forthright.

Its advanced labour legislation breaks new ground. Its farm security measures provide fresh hope for many farmers. Its Social Welfare Department assures more extensive and more sympathetic treatment for the unfortunate. Its health and education measures foreshadow more efficient and more widespread health and medical services, greater equality in educational opportunities. Its Reconstruction and Rehabilitation Department is paving the way to industrial development, while the Co-operation and Co-operative Development Department is leading toward a better-balanced economy. Its new taxes on minerals and other natural resources, its decision to enter the insurance field, tap additional sources of revenue, with which to provide an extended program of social services.

It is a dynamic rather than a static program, and because there is undoubtedly keen interest in it, an attempt has been made in the following pages to summarize this vital legislation, to reduce it to easily understandable terms, so that those who read, study and discuss it may grasp the significance of what the new Saskatchewan Government is attempting to do, and therefore understand more readily future development of its policies.

# The Executive Council

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HON. T. C. DOUGLAS

Premier, President of Council,  
Minister of Public Health

HON. C. M. FINES

Provincial Treasurer

HON. J. W. CORMAN, K.C. Attorney General

HON. G. H. WILLIAMS Minister of Agriculture

HON. J. H. BROCKELBANK Minister of Municipal Affairs

HON. O. W. VALLEAU

Minister of Social Welfare and  
Provincial Secretary

HON. J. L. PHELPS

Minister of Natural Resources and  
Industrial Development

HON. J. T. DOUGLAS

Minister of Highways and Transportation

HON. W. S. LLOYD

Minister of Education

HON. J. H. STURDY

Minister of Reconstruction and Rehabilitation

HON. L. F. MCINTOSH

Minister of Co-operation and  
Co-operative Development

HON. C. C. WILLIAMS

Minister of Labour and Telephones

## The Private Members

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Private members of the Saskatchewan Legislative Assembly, with party affiliation, constituency and address, are as follows:

Aitken, James S., (C.C.F.), Hanley, (Cheviot).  
Arthurs, Wm. J., (C.C.F.), Melville, (Melville).  
Benson, Jacob, (C.C.F.), Last Mountain, (Semans).  
Boyle, W. J., (C.C.F.), Kinistino, (Kinistino).  
Brown, Allan L. S., (C.C.F.), Bengough, (Readlyn).  
Buchanan, Lieut. Niles L., (C.C.F.), Notukeu-Willowbunch, (Lisieux).  
Burgess, Warden, (C.C.F.), Qu'Appelle-Wolseley, (Sintaluta).  
Cannon, Alex. D., (C.C.F.), The Battlefords, (North Battleford).  
Cumming, Charles D., (C.C.F.), Souris-Estevan, (Kipling).  
Daniels, Daniel Z., (C.C.F.), Pelly, (Canora).  
Danielson, G. Herman, (Lib.), Arm River, (Davidson).  
Darling, James A., (C.C.F.), Watrous, (Colonsay).  
Feeley, Myron H., (C.C.F.), Canora, (Preeceville).  
Gibbs, Harry, (C.C.F.), Swift Current, (Swift Current).  
Hansen, H. O., (C.C.F.), Wilkie, (Wilkie).  
Harris, J. Bruce, (C.C.F.), Torch River, (Choiceland).  
Heming, Dempster H. R., (C.C.F.), Moose Jaw City, (Moose Jaw).  
Hooge, Peter J., (Lib.), Rosthern, (Rosthern).  
Houze, Henry E., (C.C.F.), Gravelbourg, (Meyronne).  
Howe, Peter A., (C.C.F.), Kelvington, (Leslie).  
Howell, Herschel L., (C.C.F.), Meadow Lake, (Meadow Lake).

## The Private Members

---

Johnston, Tom, (C.C.F., Speaker), Touchwood, (Govan).  
Lazorko, D. M., (C.C.F.), Redberry, (Borden).  
Lee, Leslie W., (C.C.F.), Cumberland, (Chiceland).  
Malcolm, Frank K., (C.C.F.), Milestone, (Regina).  
Marion, L. M., (Lib.), Athabasca, (Ile a la Crosse).  
Murray, Alvin C., (C.C.F.), Gull Lake, (Tompkins).  
Nollet, I. C., (C.C.F.), Cutknife, (Freemont).  
Patterson, Wm. J., (Lib.), Cannington, (Regina).  
Procter, Arthur T., K.C., (Lib.), Moosomin, (Regina).  
Putnam, Ben, (C.C.F.), Humboldt, (Watson).  
Spidell, Sydney M., (C.C.F.), Morse, (Central Butte).  
Sterling, A. V., (C.C.F.), Shellbrook, (Shellbrook), (deceased).  
Stone, Arthur T., (C.C.F.), Saskatoon City, (Saskatoon).  
Swallow, A. P., (C.C.F.), Yorkton, (Theodore).  
Thair, Wm. S., (C.C.F.), Lumsden, (Lumsden).  
Trew, Mrs. Beatrice J., (C.C.F.), Maple Creek, (Lemsford).  
Wellbelove, John, (C.C.F.), Kerrobert-Kindersley, (Eston).  
Willis, M. J., (C.C.F.), Elrose, (Eston).  
Wooff, Robert H., (C.C.F.), Turtleford, (Cleaves).

### Representing the Armed Forces:

Major Malcolm J. Dobie, the Canada-Newfoundland area.  
Lt. Col. Alan W. Embury, the Mediterranean area.  
LAC. D. S. Valteau, the European and British area.



# A "Fair Break" for Labour

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Improved conditions and greater security for the common man were motivating principles for much of the legislation introduced by the Saskatchewan Government, and passed at the 1944 fall special session of the legislature.

Of major importance, and certainly the most contentious of this type of legislation, was that dealing with labour affairs, embodied in the Trade Union Act, the Annual Holidays Act, and the measure creating a Department of Labour, responsible for the enforcement of all labour laws.

## The Objectives

Objectives of each act can be outlined briefly as follows:

1. Trade Union Act—to guarantee collective bargaining rights to all employees in Saskatchewan, other than those engaged in war work or allied industries, or otherwise coming under federal jurisdiction; the act to be administered by a Labour Relations Board, with wide powers of enforcing provisions of the act, and of dealing with unfair practices by both employers and employees. The cabinet has the power, on the recommendation of the board, to take over and operate businesses which have consistently disregarded the board's orders.
2. Annual Holidays Act—to provide two weeks' annual holidays for employees, with payment of two weeks' wages immediately before the employee takes his holiday.
3. Department of Labour—enforcement of labour laws is the most important function of this new department, which is building up its inspection services so that these duties may be carried out more effectively. It will also collect and publish information on labour conditions in the province; make inquiries into and report on labour legislation elsewhere in Canada and the rest of the world, and on the basis of these inquiries recommend changes deemed advisable in provincial labour laws; and consider and report on changes in Saskatchewan labour laws recommended by unions, employer organizations and other organizations or persons.

## Two Fundamental Purposes

The Trade Union Act, which has been described by Labor Minister C. C. Williams as "model labour legislation," and the "most advanced" of its kind in the Dominion, has two fundamental purposes: to prevent all forms of interference by employers and others with the efforts of employees to form organizations of their own; 2. to require every employer to engage in collective bargaining with any trade union which represents the majority of his employees.

These purposes are to be achieved through the Labour Relations Board, appointed by the cabinet and consisting of a chairman and six

other members, equally representative of organized employees and employers and, if the cabinet deems it desirable, of the general public as well. The board has extensive powers to prevent unfair labour practices and to determine the trade union which represents a majority of the employees in any collective bargaining unit.

The philosophy underlying the act is that it is the employee's own business to decide what union he wants to belong to and have represent him. Therefore, of first importance is the prevention of interference by employers with the free choice by employees of the trade union they want to belong to. The employer is not allowed to influence this choice in any way, not even by persuasion, because the union is to represent the employees, not the employer. Thus, the unfair labour practices section of the act prohibits every device which employers have used in the past to influence, either directly or indirectly, the free choice of employees, and at the same time it prohibits violence and intimidation on the part of employees and union representatives. Employees and union organizers may use peaceful persuasion to influence their fellows to join a particular union, but nothing more.

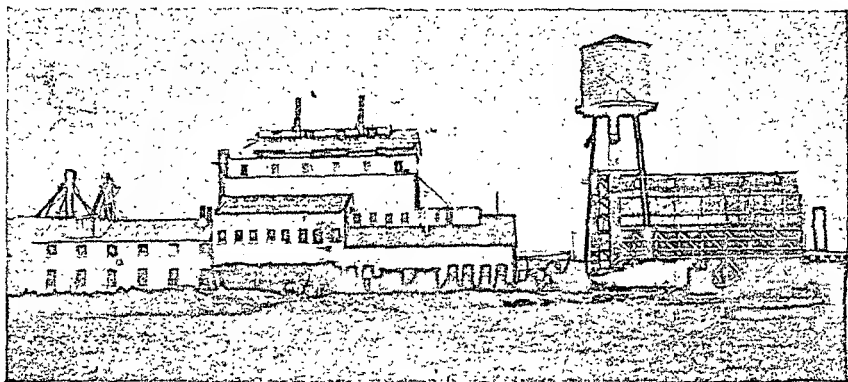
### Unfair Practices Listed

Here is the list of unfair labour practices: For employers—interfering with, restraining or coercing any employee in the exercise of any of his democratic rights, dominating or interfering with a labour organization or giving it financial or other support, failing or refusing to bargain collectively with a duly recognized union, refusing to permit any duly authorized union official to negotiate with his employer during working hours or making deductions from his pay because of such negotiations, discriminating or using coercion or intimidation of any kind with a view to encouraging or discouraging union activity, requiring abstention from union activity or membership as a condition of employment, interfering in selection of a trade union as a bargaining agency, threatening to close or move a plant during a labour dispute, maintaining a system of industrial espionage, declaring or causing a lockout or making or threatening to make changes in wages or employment conditions while a case is pending before the Labour Relations Board or a board of conciliation: For employees—using coercion or intimidation with a view to encouraging or discouraging activity or membership in a labour organization, or taking part in or persuading an employee to take part in a strike while a case is pending before the Labour Relations Board or a board of conciliation.

Lack of effective means of preventing unfair labour practices has been one of the major weaknesses of previous Canadian labour legislation. The Trade Union Act remedies this weakness by giving the Board power to issue orders prohibiting unfair practices. The Board, if it finds an unfair labour practice has been committed, will issue an order requiring the responsible party to refrain from such practice. It may also order an illegally discharged employee to be reinstated, with back pay, or a company union to be disbanded. The board's order is enforceable in the courts, and anyone disobeying such an order can be prosecuted for contempt of court. It is expected that this procedure will be effective in the majority of cases.

## How Orders Enforced

If it should be ineffective, however, the board has two courses open to it: It may institute a prosecution of the regular type, and the accused, if found guilty, will be liable to penalties, as follows; a fine of not less than \$25 and not more than \$200 for a first offence by an individual, and of not less than \$200 and not more than \$5,000 for a first offence by a corporation, with a jail term of not more than one year for subsequent offences, in addition to the fines. In extreme cases, the board may recommend to the cabinet that the premises of the responsible party be taken over. If such action is taken by the cabinet, a controller may take over and



**Bienfait Coal Plant**

operate the business concerned until the government is satisfied that "upon the return of such business, plant or premises to the employer, the order of the board will be obeyed."

The board may accept such evidence on oath as it sees fit, "whether admissible as evidence in a court of law or not," and its orders or decisions, when filed in a Court of King's Bench registrar's office, are "enforceable as a judgment or order of the court." The board may "rescind or vary any such order," but its decisions are not to be reviewed in any court.

In reply to protests over the evidence rules in the act, and the fact that no appeal is permitted from an order of the board, Mr. Williams stated that, in the first instance, similar provisions were embodied in the Dominion Wartime Labour Relations Regulations (P.C. 1003), and the Local Government Board Act, and, in the second instance, in the Wartime Labour Relations regulations (section 25), and the Workmen's Compensation Act.

## On Collective Bargaining

In regard to collective bargaining, the main object of the Trade Union Act is to ensure that employers will bargain with a union which represents a majority of the employees.

The problems which arise here are: 1, to determine what employee unit—a whole plant, a certain part of a plant or several plants together—is appropriate for collective bargaining purposes; 2. to determine what union, if any, represents the majority of employees in an appropriate unit; and 3. to ensure that the employer will actually bargain in good faith with the union representing the majority in an appropriate unit. The board has power to determine these questions. In determining the union which represents a majority, it has the power to resort to a vote. If the employer is unwilling to bargain with such a union it may issue an order requiring him to do so, enforceable in the regular way.

The board may direct that a vote, by secret ballot, be taken under any circumstances, and it must direct a vote if a union making application for such a vote can show that it has support of 25 percent of the employees in the industry concerned. Then, "if a majority of those eligible to vote actually vote, the majority of those voting shall determine the trade union" to act as collective bargaining agency in the plant or industry concerned.

Also included in the act are clauses providing for maintenance of membership and the check-off system. Under the former, every collective bargaining agreement is to contain a provision that, at the union's request, "members of such trade union shall maintain their membership in such trade union as a condition of employment." In addition, all new employees are required to apply for union membership within 30 days of their employment, and to maintain their membership during the term of the union agreement. The cabinet, however, may exclude from the provisions of this agreement any or all of those who have served with the armed forces.

It was only fair, said the labour minister in explanation of this section of the act, that the employees who benefited from union activities should help support it.

### **Deduction of Dues**

The check-off introduces a system whereby the employer deducts union dues from the employees' pay cheques and hands them over to the proper union authority, provided the employees request such action in writing and the trade union representative of the majority also requests it. An employee may withdraw such permission, but the employer is then bound, under the act, to furnish trade union officials with the name of the man who has thus withdrawn "such authority."

Machinery for conciliation and arbitration is also set up under the act. The minister may appoint such boards when a dispute arises, regardless of whether a union is in existence or not. The boards may "investigate, conciliate and report" upon any dispute.

Collective bargaining agreements are to remain in force for one year from the time they are entered into, and thereafter may be terminated if one month's notice is given by the employer or the trade union. Negotiations for renewal or revision of the agreement must proceed, however. Under these provisions it is possible for a new union to enter the field

as bargaining agency at the end of the year, if that is the desire of the majority of the employees concerned.

The act covers all Saskatchewan employers who have on their staffs three or more employees, as well as those who have less than three employees, if at least one of them is a member of a trade union "which includes among its membership employees of more than one employer." The Saskatchewan Government ranks as an employer under the act.

### **Provision for Holidays**

Provisions of the Annual Holidays Act apply to all employees in the province save farm workers, although it is set forth that, where the minister believes it to be "administratively possible" to bring the latter under the act, such action may be taken. The act does not apply to any undertaking in which "only members of the employer's family are employed."

Every employee to whom the act applies is entitled to an annual holiday of two weeks after each year of employment, either in one period of two weeks or in two periods of one week each. He is to be paid one 26th



**North Saskatchewan Lumber Camp**

of his total wages for the year preceding his holiday, on the day before he goes on such holiday. Purpose of the act is to grant the employee an annual holiday so that he may enjoy a period of rest and recuperation. Therefore the act provides that if an employee engages in paid employment during his holiday, without the consent of his employer, the latter has the right to demand return of the employee's holiday pay. If a statutory holiday occurs during the employee's annual vacation period, he is entitled to an extra day's holiday.

Under the act, no employer can require an employee to return to him his holiday pay, or discharge or threaten to discharge an employee for testifying in any case or for giving information to the minister regarding regulations of the measure.

Employers are also required to keep a holiday book, with names of employees therein, and data on their employment, holidays and holiday

pay. The minister is empowered to inspect these books, require any employer to verify the entries as correct and to require any person to furnish information he may need in ascertaining whether or not regulations of the act are being complied with.

### **Offenders to be Fined**

Persons who fail to comply with regulations of the act, who give false information to the minister, or interfere with or obstruct the minister or his duly authorized representative in administration of the act, are liable to a fine of not less than \$25 nor more than \$100 for a first offence, and in default of payment to imprisonment for not less than 10 days nor more than 30 days. For subsequent offences the fine is raised to a minimum of \$50 and a maximum of \$200, with imprisonment of not less than 30 days and not more than 90 days in default of payment.

If the employment of an employee is terminated at any time after 30 days of the time he was employed, he is entitled to one 26th of his wages during his period of employment. If he quits work after having had a holiday, he is entitled to one 26th of his wages for the period between the date on which he became eligible for a holiday and the date his employment ended.

The act does not affect any agreement "which ensures to employees more favorable conditions than those provided by this act." On the other hand, any agreement or custom "which is less favorable to employees than the provisions of this act shall be superseded by this act."

Another provision is that, if a shortage of labor exists, an employer and an employee may enter into an agreement to waive the holiday coming to the latter, providing the agreement is filed with the deputy minister of labour. The employer must, however, pay the employee the holiday pay he is entitled to within 10 months of the time his holiday comes due, plus his regular wages. This clause ceases to apply after the war ends.

Although not included in legislation passed at the special session, the minimum wage rates set by the new Minimum Wage Board represent an important step forward in the labour field. The new minimum rates are \$16.80 for a 48-hour week in cities, and \$14 in towns. These rates, the highest in effect anywhere in Canada, represent a big improvement over the old rates.



# Aid for Co-operatives

Because the co-operative movement has become such an important factor in the economic life of the province, with 2,200 places of business and a membership of over 250,000 persons, the Saskatchewan Government thought it expedient to establish this new department, Hon. L. F. McIntosh, minister, explained in introducing the act to set up the Department of Co-operation and Co-operative Development.

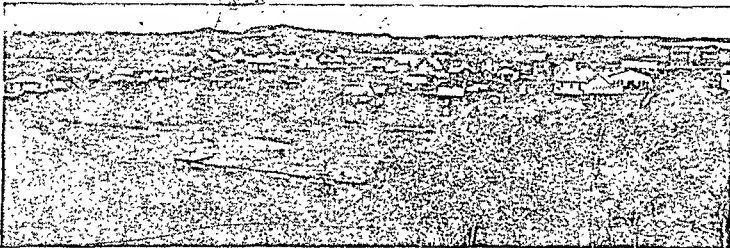
The act empowers the minister to take measures he deems advisable "for the encouragement generally of co-operation and co-operative development in the province," and particularly to "encourage and assist in the organization of co-operative enterprise" among those who wish to do so "on a non-profit, co-operative self-help basis."

## Plans For Research

A research service is provided for in the act. Under this phase of the measure inquiries may be carried out into the operations of co-operative enterprises and investigations and analysis made into economic, social and other problems. The objective is to encourage "new or improved methods or means of co-operative organization and development."

Particularly mentioned for investigation are: agricultural production and processing and marketing of such products; industrial development, manufacturing and wholesaling, business finance generally, including credit and investment; retailing of goods and services and community and other services.

The department is also instructed under the act to collect and sort out facts and statistics on co-operation and co-operative development, to issue reports, circulars and other publications from time to time, and to disseminate information on co-operation in such a way as to "encourage interest in the principles and practices of co-operation." It is also to "perform such other duties and provide such other services as may be designated" by the government.



A Saskatchewan Town—Punnichy

An additional point is that the department is expected to co-operate with other governments, educational institutions and co-operative bodies "in the furtherance of co-operative development and the undertaking of co-operative principles and practices."

### **Information to be Supplied**

Officials of co-operatives and credit unions are required, under the act, to "furnish the minister with such information as he may from time to time require." This refers to annual or other periodic financial statements which have to be filed with the department in accordance with the provisions of the legislation under which the co-operative or the credit union is incorporated. Any person who refuses to comply with this request, or who "knowingly" makes a false statement in any such information he provides, is liable to a fine not exceeding \$100.

The Co-operative Acts to be administered by the new department are The Co-operative Associations Act, The Co-operative Marketing Associations Act, The Credit Union Act, and such other acts as may be designated by the Lieutenant Governor in Council.

During the debate, Premier T. C. Douglas declared that the provincial government intended to give financial assistance to co-operatives when it was necessary to do so.

Deputy minister of the new department is B. N. Arnason, who has been commissioner of the provincial Co-operation and Markets Branch, which has been absorbed in the new department.



# Health Services For All

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Difficulty of providing adequate health and medical services for the rural areas of Saskatchewan, always considerable in a sparsely-populated province such as this, has become steadily worse in the last decade and a half, due to a combination of the drouth and depression years of the 1930's, and the present unexampled demand of the armed forces for medical and nursing staff.

A measure of this need was given early in the fall of 1944, when members of the Sigerist Health Services Survey Commission investigated conditions. They found a lack of medical and health services in certain country parts of Saskatchewan, drew up and presented a plan for improvement.

In an effort to correct this state of affairs, to implement recommendations of the Sigerist Commission report, Premier T. C. Douglas, who is minister of health in the Saskatchewan Government, brought in new legislation at the special session of the legislature, which is now incorporated in the laws of the province. This included a new Health Services Act, and amendments to the Public Health Act and the Mental Hygiene Act.

## **\$265,000 For Health Services**

As an earnest of its intention to improve medical and health services in the province, the government set aside \$265,000 in the supplementary estimates for the health department, to cover the period up to April 30, 1945.

Premier Douglas laid down the rule during legislative debates that those who needed assistance most would get it first—that means people in the rural areas, and old age and blind pensioners, widows and orphans.

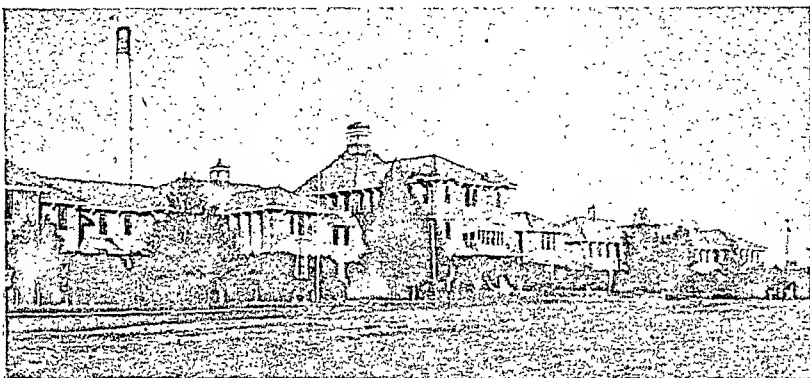
First actual step taken by the government to implement its health policy was in the provision of free medical, surgical and hospital care for all old age and blind pensioners, as well as widows in receipt of mothers' allowances, and their children. Free care is also provided for those in mental institutions of the province, and will be provided for those who enter such institutions in the future.

Costs of this particular phase of the provincial health scheme, up to April 30, 1945, are divided as follows: \$110,000 for medical services for old age pensioners and those in receipt of mothers' allowances; \$40,000 for hospitalization for such persons; \$5,000 for prevention of blindness, to provide such attention as will keep many persons from becoming pensionable cases. In addition, of the total of \$265,000 provided in the estimates, \$10,000 is set aside to establish a health planning commission; \$50,000 for grants to municipal districts and \$50,000 for grants to hospitals and health centres.

## Doctors Paid From Fund

In the plan to care for pensioners and those in receipt of mothers' allowances, an agreement has been made with the medical profession, through the Saskatchewan College of Physicians and Surgeons, whereby the government will set up a fund from which the doctors will be paid. Hospitals will also be paid by the department at a maximum rate of \$2.50 a day, plus a grant of 50 cents a day.

To return to the Health Services Act, and the amendments to the Public Health Act, which provide the framework for the government's health scheme: Under these measures, permission is given the govern-



**Battleford Mental Hospital**

ment to appoint a Health Services Planning Commission, while the minister may name an advisory committee to assist it. Already appointed to this commission are T. H. McLeod, C. C. Gibson, and Dr. M. C. Sheps, secretary.

The minister is also given authority to divide the province into health regions for administration under the acts; and to prepare a "scheme for providing full-time health services in any health region" thus set up.

Outlining the measures in the legislature, Premier Douglas said the objective was free medical, hospital and dental services for everyone in the province. This objective could not be attained in a few months, he said, but could be reached by a "series of steps."

"Main attention" would be devoted at first to providing hospital and medical care in rural areas where, as the Sigerist Commission report stressed, the need was greatest.

Summing up the plan, Premier Douglas said: "When we carry out our immediate program we will have gone further than any other area in North America, and possibly the western hemisphere."

## Commission's Duties

The Health Services Planning Commission is to ascertain costs of health services decided on, and recommend methods of financing them;

outline proposed health region boundaries, work out the health needs of several regions and recommend the health services required to meet these needs; recommend better health services for municipalities and local improvement districts where such services are inadequate; plan compulsory health insurance schemes for several urban centres and help the government plan health services generally.

In addition, it will recommend to the minister qualified young medical graduates for post graduate study, particularly in public health, psychiatry and cancer control, as well as qualified registered nurses for advanced obstetrics and public health. It will also make recommendations to the minister regarding extension of the faculty of medicine at the University of Saskatchewan, and for provision of adequate clinical facilities for teaching purposes.

Polls may be held in any region on the advisability of inaugurating a health services scheme, while the department is authorized to make grants to municipalities, hospital boards, and health regions "for the provision and operation of health services." It may also pay part or all of the cost of providing health services in any region in which "such services are deemed by the minister to be required."

Regulations governing these duties and activities are to be made by the Lieutenant Governor in Council. It will set forth the conditions under which payments for health services, and grants and subsidies, are to be made, as well as the conditions under which the department may pay part, or all, of the cost of health services in any health region. It will also prescribe the amount, not to exceed \$10, to be paid by each resident of a health region, and the maximum amount payable by any one family.

## **Sixteen Health Regions**

Additional details of the health plan are contained in amendments to the Public Health Act. Premier Douglas announced in the legislature that it was the intention to set up 16 health regions in the province, each with a medical and sanitary staff, "consisting of a duly qualified medical practitioner, one or more sanitary officers, one or more qualified registered nurses and other necessary qualified personnel," in addition to a secretary and other clerical staff, on a full-time basis.

First class hospital facilities must be provided in the rural health centres, said the premier, with minor cases cared for in the health centre, major surgery in district hospitals and specialized attention given in the cities.

After consultation with local governing authorities, the minister may apportion the costs of the health scheme to be borne by the rural municipalities and local improvement districts included in the region. Each municipality and local improvement district in regions set up under the act is to levy and transmit to the provincial treasurer annually the sum allocated to it as its share of the expense.

## Free Care For Mental Cases

Under amendments to the Mental Hygiene Act, persons who have been residents of the province for at least 12 months before being admitted to an institution are entitled to "care and treatment at the expense of the province." Persons now in institutions are entitled to similar care, and expenses incurred prior to admission of a person to an institution are also to be defrayed by the department. The amendments provide, however, that where a person who has been an inmate of an institution dies, expenses incurred in connection with his case shall be a charge upon and payable out of his estate, the sums so payable being recoverable through a court of law. However, such sums are not recoverable from any part of the estate "which passes to the father, mother, husband, wife, a child, brother or sister of the deceased," if they reside in Saskatchewan, or from such relatives residing outside the province who, "in the opinion of the minister, are dependent on the estate for support."

It is also provided that the Saskatchewan Government may enter into agreements with the Government of Canada, "undertaking the care and treatment in institutions of persons for whom the Government of Canada is responsible, upon such terms as may be deemed expedient."

# Bases For Reconstruction

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Concrete example of the Saskatchewan Government's faith in possibilities, of economic development in the province, with a corresponding improvement in the general level of welfare, is given in formation of the new Department of Reconstruction and Rehabilitation.

Specifically, the bill creating this new branch of government delegates to it the duty of investigating economic conditions, in order to promote the "general interests" of the people of the province. Of prime importance, however, will be the immediate task of helping to re-establish in civilian life and occupations returning members of the armed services, both men and women.

Minister of the department is Hon. J. H. Sturdy. Mr. Sturdy served four years overseas in the First Great War and also three years overseas in this war as assistant director of Canadian Legion Educational Services. He is a life member of the Canadian Legion. Deputy minister is E. E. Eisenhauer, an engineer of wide experience.

## General Well Being Essential

During debate on this measure, Mr. Sturdy stated his belief that permanent security for veterans depended to a great extent on the general economic wellbeing of all the people, on full employment for all. For that reason, his department was stressing general betterment in economic conditions in the province.

Intention of the new department to benefit from the investigations and recommendations of the Saskatchewan Reconstruction Council, whose report was published during the special session, is seen in the appointment of George Oliver as director of the division of reconstruction. Mr. Oliver, formerly secretary of the statistics branch of the provincial government, acted as secretary of the Reconstruction Council. Acting director of rehabilitation is Major J. F. McKay, superintendent and general staff officer of the Saskatchewan Veterans' Civil Security Corps.

First step toward industrial development has been taken in the setting up of an Investigation Laboratory in Regina, under the direction of C. Gower, formerly chief chemist of a Calgary scientific laboratory. The Laboratory will seek to make practical application of research discoveries to effective industrial production in Saskatchewan. It will work in close co-operation with research men at the National Research Council, the University of Saskatchewan and other similar organizations. Its main purpose will be to take projects which researchers have proved to be economically feasible, and develop them on an actual industrial basis.

## Industrial Workers Too

Rehabilitation of industrial and other workers who may have been displaced by cessation of hostilities, comes under the Department of Re-

construction and Rehabilitation, in addition to its more direct concern with former members of the armed forces. The department will co-operate closely with federal agencies engaged in rehabilitation work for veterans, and also with other governments in the furtherance of its economic program and policies.

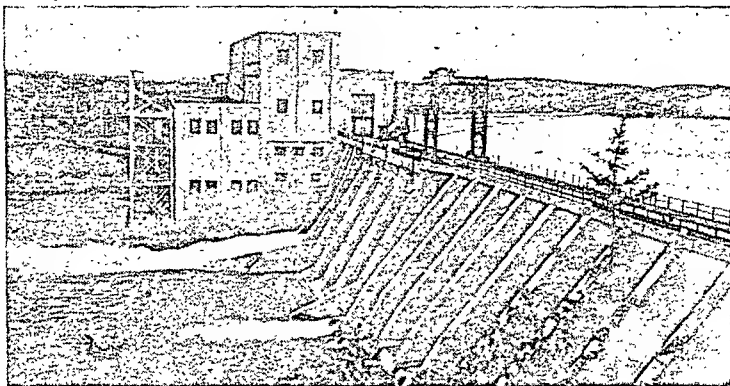
The department is empowered to give all the assistance possible to land settlement schemes for veterans, and is granted the right to purchase, lease or acquire property the minister may deem essential to the carrying out of his policies.

In debate in the legislature, Mr. Sturdy said the government was prepared to organize and even administer co-operative farms for returned men, if soldier settlers were interested in such ventures. He added that the government would agree to turn over such farms to the soldier co-operative settlers themselves, as soon as the latter were prepared to administer them, and also that the provincial government would underwrite the veterans' indebtedness up to about half the amount of the Dominion grant.

On the question of provincial government aid to soldier settlers, Premier T. C. Douglas announced the government would provide assistance to the man who preferred to run his own farm on a basis similar to that granted men on co-operative farms.

### **To Administer \$5,000,000 Fund**

Further proof that the government means business in its reconstruction program is the fact that the new department will have the responsi-



**Island Falls Power Plant**

bility of administering the \$5,000,000 Reconstruction and Rehabilitation Fund, provision for which was made at the special session of the legislature.

This fund, enabling legislation for which was introduced by Provincial Treasurer C. M. Fines, authorizes the provincial treasurer to borrow money from time to time, "upon the credit of the province." to pro-

vide funds for the "purpose of reconstruction and rehabilitation" in Saskatchewan. When expenditures are deemed advisable by the cabinet, the treasurer is empowered to issue bonds, debentures, treasury bills or other securities of the province, provided that the principal amount of such securities does not exceed \$5,000,000.

In moving second reading of this bill Mr. Fines intimated that the people of Saskatchewan themselves would be called on to invest their money in an effort to put their province on a sound economic basis.

"We have a challenge to hand to the people of Saskatchewan," said Mr. Fines, "to see whether they are prepared to invest money in a great cause. There has been much talk about rehabilitation; if we are serious, we must be prepared to put money into it." (In December, Mr. Fines announced a \$1,000,000 bond issue was being undertaken).

Moneys raised by borrowing, or those appropriated by the legislature for purposes of reconstruction and rehabilitation, are to be deposited in the Reconstruction and Rehabilitation Fund, to be used to meet expenses approved by the cabinet.

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## Education Gets a Boost

Improvement of educational standards in Saskatchewan, especially in rural areas, is the aim of legislation sponsored by the Department of Education and passed at the special session of the legislature. One new measure, the Larger School Units Act, was written into the statutes of the province, while amendments were made to the School Act.

In explanation of the changes, Hon. W. S. Lloyd, minister of education, said during debate that "the people are crying out in Saskatchewan for better educational opportunities, and for more equitable distribution of the costs of education."

Briefly, the educational changes provide for:

1. Immediate inauguration of the larger unit of school administration. (Some 14 had been established prior to January, 1945).
2. Equalization grants to boost educational standards to a desired minimum, to cost \$615,000 annually, additional to regular grants.
3. Raising the minimum salary of teachers to \$1,200 for holders of permanent certificates and \$1,000 for those qualifying for permanent certificates. Previous minimum was \$700.
4. Permission to the Saskatchewan Teachers' Federation to raise its membership fee from a minimum of \$1.25 to a minimum of \$2.50, and granting the Federation the right to change its membership fee without recourse to legislation.

## **May be 70 Larger Units**

In explaining the Larger School Units Act to the legislature, Mr. Lloyd mentioned the possibility that the present 4,000 school units of administration might eventually be reduced to some 70 units.

Initiative for the establishment of larger units of school administration rests with the minister of education under the new act, which states that, where the minister deems it "advisable in the interests of education," he may establish such units, to consist of rural and village public school districts employing approximately 80 teachers.

Mr. Lloyd told the legislature that there is a section in the act "which will make it possible for a vote to be held in the areas involved if, in our opinion, such a vote is necessary."

Specifically, the section states that the minister "may" submit the question of the larger unit to a "vote of the resident ratepayers of the school districts comprising the proposed unit." If the vote is favorable, the minister may proceed to set up the larger school unit.

## **1940 Act "Passive"**

Mr. Lloyd referred to the School Divisions Act, 1940, as "an entirely passive one." Under it no larger unit could be set up unless a petition from 200 ratepayers representing 20 school districts was first received by the department, followed by a favorable vote of the ratepayers. No progress was made under the 1940 act, but, said Mr. Lloyd, immediate and extensive action was planned under the new one. There was no question of the "government's neutrality in the matter," he said. "The government is definitely in favor of larger units."

Under the new measure, the minister has the right either to initiate the larger school units in districts he knows to be favorable to such action, or he may direct that a vote be taken.

Additional equalization grants are provided for under the new act, to bring the educational standards in the larger units up to a level held desirable by the department. Cost of such grants, additional to those already provided, has been estimated by the department at \$615,000 annually.

The larger school units will be given five years and six months in which to prove their worth, according to the act. After the expiration of that length of time, from the date the larger unit was set up, the minister will be obliged to call a vote of ratepayers if not less than 15 percent of the ratepayers in the unit "petition the minister for the disorganization of the unit." If the vote is unfavorable to the larger school unit, the latter will "cease to exist," and the minister will make "due provision for the proper settlement and adjustment of the assets and liabilities standing in the name of the unit board."

## **Five Sub Units**

Each larger school unit will consist of five sub units, each with a distinguishing name and number. If rural or village school districts re-



quest it, the minister may add the district concerned to an established unit and include it in a sub unit. The minister also has the power to transfer any school district from one unit to another, or from one sub unit to another sub unit in the same larger unit.

Affairs of the larger school unit will be conducted by a unit board, of five members, one from each sub unit. Unit board members are to be elected for a two-year term, although members elected for the even-numbered sub units at the first election will hold office for one year only. Unit boards must hold at least six meetings a year, and as many additional meetings as prove to be necessary.

Wide responsibilities of administering educational affairs and providing costs of school operation devolve upon the unit boards. They will



**A Prairie Schoolhouse**

have authority to appoint teachers, pay their salaries, and also to provide high school instruction and to pay transportation costs of pupils who live outside school districts they attend.

Additional powers, to be used at the boards' discretion, include steps to care properly for pupils' health, to employ specially qualified teachers, provision of books for pupil use and reference, and school luncheons at the noon hour, "either free of charge or at a price to be fixed by the board."

#### **Assets to Larger Unit**

Assets of school districts included in a larger unit are to be turned over to the unit board, subject to any "subsisting charges, liens, mortgages and encumbrances, for the purposes of all the districts included in the unit."

However, if after meeting current liabilities the school district still has cash in the bank or holds bonds or securities, the excess amount may be used by the latter for school building or other educational purposes, although the excess amount must be expended within six years. Contracts and liabilities of school districts forming a larger unit will be assumed by the unit board.

Existing school districts and boards are to be retained, with their duties and powers limited to looking after property, helping the teacher in school supervision and making requisitions to the unit board for needed equipment, etc.

Unit boards are empowered to include town, separate and consolidated school districts within their units if the trustees request such action, with the provision that if 25 percent of the resident ratepayers petition for a vote within 21 days after notice has been given of the contemplated move, such a vote must be held. If no such demand for a vote is received the minister may proceed with establishment of a larger school unit.

Rights of any minority to establish a separate school, either Protestant or Roman Catholic, are preserved under the act. If a school district desires religious or French language instruction in its school, the unit board is to select a teacher from a panel submitted by the district board.

### **Taxation to be Uniform**

Uniform annual taxation is provided for in the school districts composing a unit; to yield a sum sufficient to pay salaries, meet operating and other expenses. Funds may also be raised by borrowing. A unit board may increase the tax rate, however, by not more than 20 percent annually, to build up a cash reserve, although the latter is not to exceed an amount equal to one year's expenditures by the board.

On the higher minimum salary decision, Mr. Lloyd said it was a step toward a permanent salary schedule for Saskatchewan teachers. It was laying the groundwork for "conditions that will attract the best people into the teaching profession," he added. The increase was merely a start: "we must come to the position where salaries of teachers are governed by schedules based on experience and qualifications."

Deputy minister of the department is A. B. Ross.

# More Security For Farmers

Greater security in possession of their homes, protection from creditors in crop failure years and assurance of adequate living and farm operating costs, for certain classes of Saskatchewan farm debtors, are the objectives of one new act and amendments to an old one, piloted through the special session of the legislature by Attorney General J. W. Corman, K.C.

The new measure, known as the Farm Security Act, provides that no farmer can be evicted from his home quarter section of 160 acres under a mortgage agreement, and that farmers operating land under mortgages or agreements of sale are relieved of making principal payments during crop failure years.

Amendments to the Exemptions Act provide that the farm execution debtor shall retain sufficient of his crop to meet legitimate harvesting costs, necessary living allowances for himself and his family, and costs of farming operations, to include seed grain sufficient to sow all land he has under cultivation, and gasoline and oil.

## To Alleviate Debt Problem

Referring to the crop failure clause in the legislature, Mr. Corman said: "We do not deny that this legislation is radical in that it goes to the root of some of our agricultural problems. Farm debt is still a problem in Saskatchewan and this legislation will prevent its increase in times of crop failures."

The crop failure clause sets forth that in case of crop failure no mortgagor or purchaser is to be required to make "any payment of principal to the mortgagee or vendor during the period of suspension," (commencing Sept. 1 in the crop failure year and ending August 1 in the next succeeding year). The effect of this is to automatically postpone principal payments for one year.

In addition to this, principal outstanding on September 15 in the period of suspension is to be reduced by four percent, or by the same rate at which interest will accrue on the principal outstanding at September 15, whichever is the greater. Notwithstanding such reduction in principal, however, interest continues to be "chargeable, payable and recoverable" as if the principal had not been reduced.

As originally drawn in the act, crop failure was described as a year in which the return from crops, "due to causes beyond control of the mortgagor or purchaser," along with any other income received or which the Mediation Board believes the farmer may receive, is less than \$6 per acre sown to grain.

## Crop Failure Applies to Grain

It was pointed out during debate that inclusion of the "other income" clause in the \$6 per acre crop failure limit, might penalize the industrious

farmer who raised livestock and other produce and who, although he might experience a grain crop failure, would not come under the benefits of the act because his returns from other sources would boost his income over the \$6 per acre figure. Mr. Corman agreed to define crop failure as a return of less than \$6 an acre on the grain crop alone.

The attorney general explained that this clause had been drafted originally so that the farm operator of independent means, who had other sources of income and could meet his obligations, would not be able to use the crop failure ruling as a means of avoiding these obligations. As the act now stands, such a person, with income additional to his farm income, must go before the Mediation Board if he seeks benefits under the act in a crop failure year. The board will investigate his financial status, and if it finds he should pay, may recommend to the cabinet that the crop failure benefit in his case be inoperative.

In cases of dispute as to whether or not there has been a crop failure, the matter is to be referred to the Mediation Board for decision. The mortgagor or purchaser who believes that he is entitled to the crop failure benefits in any particular year, must give written notice to the mortgagee or vendor before November 1 of that year. Failure to do so "shall constitute a waiver of such benefits."

### **No-Eviction Provision**

The no-eviction section of the Farm Security Act applies only to land held under a mortgage. It describes a homestead as the mortgagor's farm residence, with the 160 acres of land on which it is situated, as well as other buildings upon it.

The section provides that no final order of foreclosure of a mortgage shall be acted upon "so long as the homestead continues to be a homestead." In future, final orders of foreclosure are to contain a declaration from the judge by whom they are issued, that the land concerned is or is not a homestead under the terms of the act. Where such an order affects a homestead and other land as well, the judge's declaration shall set forth that part of the land is a homestead.

The protection afforded by this section, says the act, "shall inure to the benefit of the widow and infant children, or widow or infant children, of a deceased mortgagor to the same extent as if the widow or children were the mortgagor."

Explaining the act, Mr. Corman stressed the no-eviction section applied only to mortgages, not to agreements of sale. Mortgagees could still garnishee money, or seize goods and chattels of the mortgagor. The former's rights against the crop were unchanged, and he could foreclose on land other than the homestead, as before.

"The act," said Mr. Corman, "will not affect any mortgagee who is not out after his pound of flesh."

"Too many farmers in Saskatchewan have been evicted from their homes for failure to pay mortgage debts," he said. "Farm homes are now exempt from seizure for an execution debt. This government believes they should be exempt from seizure for a mortgage debt."

## Crop Share Determined

The Farm Security Act provides further that, notwithstanding anything in the Crop Payments Act, or agreements of sale or mortgages of farm land, the vendor or mortgagee shall not be entitled to a share of the purchaser's or mortgagor's crop in excess of one third of the crop produced in the years 1944 and 1945.

It also provides that in these years, if the value of grain grown on land sold, mortgaged or leased has an average value per acre less than the value of 10 bushels of No. 2 Northern wheat, and the purchaser, mortgagor or lessee produces a tax receipt on the current year's taxes on the land concerned, he shall be entitled to retain from the vendor's, mortgagee's or lessor's share of the crop "such amount as may be necessary to reimburse him for the taxes so paid."

In the alternative, if the taxes are not paid, the vendor, mortgagee or lessor may be called upon by the municipality, the minister of municipal affairs or the purchaser, mortgagor or lessee, to pay the current taxes "to the extent of the proceeds of the share of such year's crop received." The municipality or the minister may, after such demand is made, recover the taxes in question from the vendor, mortgagee or lessor, "to the extent of the proceeds of the share of such crop received by him." These provisions, however, do not apply to crops grown on land held under a share crop agreement of sale made after April 30, 1937.

## Share May Be Reduced

Another provision is that in any share crop agreement, if in any year the share of the crop belonging to the purchaser, mortgagor or lessee, plus any other means he may have, is insufficient to pay legitimate unpaid harvesting costs, provide necessary living allowances and costs of farming operations, until the crop of the following year is about to be harvested, the vendor, mortgagee or lessor shall only be entitled to a reduced share of the crop, as shall be agreed on under the act. Any proceeding by vendor, mortgagee or lessor to enforce delivery of his share of the crop, before the amount of that share has been determined, "shall be null, void and of no effect." If disagreement arise, the case may be referred to the Mediation Board for decision. If the latter finds the producer's share of the crop, and his other means, are insufficient to meet his living and operating costs, it may "specify the reduced share (of the crop) which shall be delivered to the vendor, mortgagee or lessor." If, however, the latter's share of the crop is found to be sufficient to meet his needs, this regulation does not apply.

Under other sections of the act, the purchaser, mortgagor or lessee is forbidden to dispose of any share of his crop save for the purposes specified. The producer's share of the crop is not subject to "garnishment or attachment or seizure or any legal process."

## Exemptions From Seizure

Under amendments to the Exemptions Act, the crop of the execution debtor is exempt from seizure to the extent of providing for:

1. All unpaid legitimate costs of harvesting a crop.
2. A necessary living allowance for the support of the farmer and his family until the crop of the following year is about to be harvested.
3. Necessary costs of farming operations for the same period of time, including grain sufficient to seed his cultivated land, and oil and gasoline.
4. Freedom from seizure of any article for purchase of which an exemption of crops is allowed, if purchased before the crop of the following year is harvested.
5. That share of the crop which is exempted must be used for the purpose for which it was exempted.



**A Saskatchewan Farm Home**

Under the old act the debtor could retain clothing and household furnishings to the value of \$500, grains and other produce sufficient to provide cash for fuel for heating only, feed for six cows, six horses, six sheep, four pigs and 50 fowl, as well as seed grain to sow 160 acres.

This meant, said Mr. Corman, that the debtor was not permitted to keep enough for "a decent living."

Extent of the crop necessary to provide living and operating allowances will be determined by the sheriffs in the districts concerned.

# Purchasing System

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Designed to reduce costs and to achieve greater efficiency in the buying of supplies required by various departments of the provincial government, an Act to Establish an Agency for the Centralization of Government Purchases was passed by the members of the legislature at the special session. Introduced and outlined by Provincial Treasurer C. M. Fines, the measure is known also by its short title, The Purchasing Agency Act, 1944. Representing a promise made to the electorate during the June, 1944, election campaign, the Purchasing Agency has been in operation for some time.

The act provides for the appointment of a director of purchases, the post being held by E. T. Stinson, of Weyburn, who has management and control of the affairs of the agency.

## For All Departments

The agency is entrusted with the purchase of supplies for all departments, with each department channelling its purchases through the agency. The Lieutenant Governor in Council, that is, the cabinet, may permit any department to buy supplies other than through the agency, however, and it may set forth the ways and means by which such purchases shall be made.

Another stipulation is that the director of purchases, if he feels that by so doing necessary supplies may be purchased more cheaply, may permit any department to buy its supplies "otherwise than through the agency."

The measure directs that supplies "produced or manufactured in the province, or sold by persons carrying on business in the province," shall be favored by the agency in acquiring the needs of the various departments.

Acting with the director of purchases is a central advisory committee, whose duty it is to meet with the director and advise him on matters of agency policy and in the "formulation of regulations authorized by the act."

## Departments Represented

On the central advisory committee are representatives from each department, named by the heads of the respective departments. The director of purchases acts as chairman of the committee. In addition to the central advisory committee there is also an advisory sub committee from each department, of one, two or three members, named by the department head, and known as the advisory purchasing sub committee for the department. No department is to purchase supplies without the approval of all members of this advisory purchasing sub committee and of the director of purchases himself. If a sub committee member disapproves of a

certain purchase, the director is to notify the minister of the department, and the matter will then be laid before the cabinet for decision.

Any department employee who buys supplies in contravention of any of the act's provisions, regulations or orders, lays himself open to suspension or dismissal from office. However, if the director of purchases satisfies himself that any such action was taken inadvertently, he may notify the provincial auditor and authorize him to approve payment of the supplies in question.

Regardless of any provisions in the Liquor Act, the Liquor Board may buy supplies of liquor through the agency, and the agency may buy liquor for the board and as agent for the board.

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## Scheme For Insurance

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The Government of Saskatchewan had a three-fold reason in entering the fire insurance business, Provincial Treasurer C. M. Fines told members of the legislature during the special session.

They were: a desire to find new sources of revenue which would enable the government to expand its social services program; to retain within the province money that was at present going outside Saskatchewan; to reduce rates to the level where all Saskatchewan people could afford to have insurance protection.

These reasons, of course, apply equally well to inauguration of other forms of insurance, made possible under the new Government of Saskatchewan Insurance Act, which states expressly that the government "may engage in and carry on the business of," insurance of the following types: fire, life, automobile, accident, aircraft, boiler and machinery, guarantee, inland transportation, livestock, plate glass, property damage, public liability, sickness, theft and weather.

"Private enterprise has done very well for itself in the insurance business and we feel confident that the Government of Saskatchewan can do equally well and is certainly entitled to do so," stated Mr. Fines.

### Some Figures on Insurance

Citing figures, the provincial treasurer said that in 1943 a total of \$39,000,000 was sent out of Canada in fire insurance premiums, from which only \$19,000,000 was received back. Similarly with other forms of insurance: Saskatchewan people paid \$465,000 in premiums in 1943 for accident and sickness insurance, got back in payment of claims only \$228,000; paid \$640,000 in automobile insurance premiums, received back only \$221,000, while in fire insurance premiums they paid out \$2,650,000 and got back only \$650,000.

The act provides for setting up a branch of the public service to be called "The Saskatchewan Government Insurance Office," to be presided over by the minister. The cabinet may appoint a manager for the insurance office, determine his salary and set forth his duties. The manager



is to be "under the control of and subject to the direction of the minister." The Public Service Commission may appoint such staff as is necessary, including actuaries, adjusters, inspectors, officers, agents, clerks and other employees, while the minister may, with cabinet approval, acquire buildings, equipment and other property necessary to carry out the intentions of the act. The manager may appoint such agents and adjusters as he deems necessary, with cabinet approval, and set forth their duties, salaries, commissions, remuneration, etc.

### **Manager's Duties**

The manager in his official capacity may sue and be sued in any actions arising out of contracts relating to business carried on under the act but no action or other proceeding arising from such business "shall lie against any person other than the manager." No action for any claim for loss or damage under any fire insurance policy "shall lie against the manager . . . unless the action or proceeding is commenced within one year after the occurrence of the loss or damage."

The manager is to maintain separate accounts, funds and securities in connection with life insurance business, to be available only for protection of holders of the government company's life insurance policies. Such funds are not liable for payment of claims arising from any other class of business the insurance company handles. Premium rates for life insurance are to be such as the actuary deems "actuarially sufficient" and no contract is to be issued that does not appear to be self supporting "upon reasonable assumptions as to interest, mortality and expenses."

The provincial treasurer, with cabinet approval, may make advances out of the consolidated fund to finance the insurance business carried on under the act and to defray "any expenditure incurred in respect of such business." The act also authorizes the provincial treasurer, whenever there is not sufficient money in the insurance office to pay outstanding claims, to advance from the consolidated fund an amount necessary to meet these claims. The amount so advanced is to be repaid to the provincial treasurer as soon as practicable, "with interest at the rate of three percent per annum."

### **Information to be Supplied**

To minimize as far as possible the insurance risk under this act, all government, city, town, village and rural municipality departments, and their officers, are required to supply the minister "all such information" as he may require. Money received in connection with the insurance business operated by the government is to be deposited in institutions designated by the cabinet, and in the name of the Saskatchewan Government Insurance Office.

The cabinet is empowered to make regulations dealing with: conduct of the insurance business engaged in; disposition of money received; accounts to be kept; establishment of reserve funds and the control, management, investment and disposition of such funds; determination of premium rates; maximum amounts of contracts issued; reinsurance of risks; forms of policies or contracts; signing of deeds, policies, etc., and "such other matters and things as may appear to be requisite or proper for the regulation of such business."

## "Social Aid" Not "Relief"

Under the newly-created Department of Social Welfare, "money will be spent as a matter of justice, equity and right," declared Hon. O. W. Valleau, minister of this new branch of the Saskatchewan Government, in outlining its aims and purposes to members of the legislature. He added: "Not one cent will be spent as charity."

In connection with the new department, two acts were passed, one known as the Social Welfare Act, creating the department, the other the Social Aid Act, outlining in detail the methods by which social aid will be handled by Mr. Valleau and his deputy minister, J. S. White. Two other acts, the Child Welfare Act and the Old Age and Blind Pensions Act, were amended to bring them under jurisdiction of the new department.

The term "relief" is banned from the Social Aid Act, the words "social aid" having been substituted.

### May Establish Homes

Under the Social Welfare Act the department may establish homes for needy, aged and blind persons, and may buy, lease or otherwise acquire any property the minister deems necessary to provide occupation for the above-mentioned persons, and also for the purpose of "exercising any of the powers or performing any of the duties of the department."

In debate in the legislature, Mr. Valleau answered criticism of the department's right to acquire property by saying that the public works department was trained to take proper care of buildings, "but not of the human beings in them."

Under the act, the Social Welfare Department is empowered to make grants to any agency, organization, association or institution engaged in welfare work, and which are "not under the control of any other department of the government." It also has the right to investigate, inspect and report on the activities of all such agencies.

### To Collect, Disseminate Information

Another duty of the new department is to inquire into and gather information and statistics on all matters relating to social welfare, and to disseminate such information in such a way as to "promote the social welfare of the people."

In explaining the Social Aid Act in the legislature Mr. Valleau said that responsibility for social aid will remain with the municipalities, but that the department will give greater direction in its administration.

Under the terms of the act, an "indigent person" is one who, in the opinion of the minister or of the municipal council, requires aid. If there are conflicting opinions in any case, the minister will have the right of decision.

Under amendments to the Child Welfare Act, provisions are made for greater protection of neglected children, and for more adequate protection of the property of children whose parents have died. Amendments to the Old Age and Blind Pensioners Act put into effect the recent agreement between the Saskatchewan and Ottawa government, whereby pension increases are provided for both the aged and the blind.

### **Valleau Describes Purposes**

In a radio address shortly after the session ended, Mr. Valleau described the underlying purposes of his department more fully.

The Social Aid Act, replacing the old Direct Relief Act, provides for assistance "by each municipality and by the Social Welfare Department to unemployable needy persons." Many municipalities were providing reasonable assistance, but there were still a number of unemployable persons not being cared for adequately.

The government would help all municipalities in caring for such cases, and such assistance would "enable municipalities to assure security to all unemployable indigent persons . . . without discrimination of race, creed or color."

Municipalities were also being helped to maintain "elderly, crippled or handicapped persons" who needed aid. The government was willing to share additional expenses incurred by the municipalities in giving adequate aid.

"We are determined," said Mr. Valleau, "to make it possible for every person in this province who is without means and unemployable to approach his municipality or his government and be assured of sympathetic consideration."

### **13,000 Old Age Pensioners**

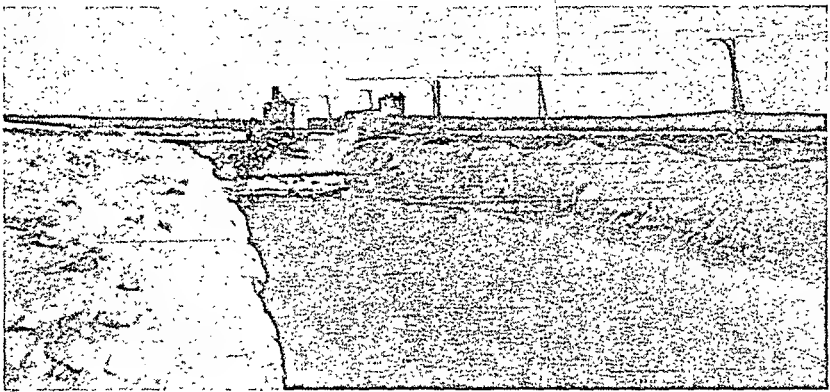
In regard to old age pensions, the Social Welfare Department is sending out pensions monthly to some 13,000 Saskatchewan citizens over 70 years of age, and is also contributing to pensions paid 4,200 former Saskatchewan residents now living outside the province. Total cost for the fiscal year ending April 30, 1945, would be \$4,300,000, up from the \$3,644,000 of the previous fiscal year. Adjustments made after an arrangement with the federal government whereby the maximum amount (including pension and other income) an old pensioner may receive in any one year was boosted from \$365 to \$425, meant pension increases for over 4,100 persons. Under another understanding with the federal government, the province need no longer lay claims against old age pensioner's estates for the amount of pension paid, where net value of the estate is under \$2,000. Caveats are no longer filed against pensioners' property where net value of that property is less than \$2,000. However, pensioners are prohibited from transferring their property, either before or after pension is granted, a move taken to prevent the possibility of certain abuses.

The department, through the Child Welfare Branch, is paying 2,200 mothers' allowances, for the benefit of nearly 5,700 children, at an annual

cost of \$660,000. No more caveats are filed against property of mothers or children, nor will any charges be made. Arrangements have been made to remove all caveats and to cancel all charges. To protect interests of mothers and children, the department has filed a notice in the Land Titles Office, making it necessary that it be informed and that its consent be obtained before any transfer of land takes place.

## Making Resources Pay

Several decisive legislative steps, aimed at bringing Saskatchewan's natural resources more directly under control of the government, to ensure efficient operation of such industries as may be established and to provide funds for government purposes, were taken at the special session of the legislature, under the guidance of Hon. J. L. Phelps, minister of



**Sodium Sulphate Operations**

natural resources and industrial development. L. C. Patterson is deputy minister of the department.

Briefly, here is the legislation:

1. A Mineral Taxation Act, imposing two taxes on owners of minerals—an acreage tax of three cents an acre a year, and a minerals or "holding" tax at a rate not to exceed 10 mills on the dollar of value of minerals, as shown on the assessment roll. Non-payment of such taxes within a stipulated time will result in such minerals being forfeited to the crown, as is the case now with lands which revert for unpaid taxes.
2. Amendments to the Department of Natural Resources Act, to enable the provincial government to enter the industrial development field.
3. Amendments to the Fur Act, providing for the establishment of a Fur Marketing Exchange, and setting up a new licensing system for fur dealers.

4. Amendments to the Fisheries Act, allowing the department to levy royalties on fish taken for commercial purposes, imposing licenses on fish dealers and providing for an inspection service.
5. Amendments to the Forest Act, increasing dues to timber berth licensees, and providing for a new forest reserve in the Waterhen forest.
6. An amendment bringing the Power Commission under jurisdiction of the department.

### **Industrial Development Possible**

In the legislature, Mr. Phelps declared that the old Natural Resources Act did not permit the department to engage in industrial activity. The amendment would enable his department to develop industries and carry out government public ownership policies.

The amendment rules that the minister may, with the approval of the cabinet, "acquire any land or works, or land and works, by purchase, lease or otherwise or, without consent of the owner thereof . . . by expropriation."

The act permits the minister to "operate, extend, alter, improve and maintain" any works acquired under the foregoing section of the act, and "works" means mines, factories, plants, or machinery and equipment. Specifically mentioned are such things as excavations for obtaining petroleum, oil or natural gas; quarries for obtaining any mineral, including stone, earth, coal, salt, gravel; any structure where timber is processed, and buildings, machinery etc., for the development of water power.

Powers of the minister in industrial development are wide. He may do such things as he deems necessary to develop and use the natural resources in "lands, minerals, fur, game, fish, water powers or forests which are the property of the Crown," and in carrying out his program "may purchase, construct, build, extend, alter, improve, maintain and operate any building, factory, research laboratory, plant, mill, dam, ditch, machinery, equipment or works which he may consider necessary for such purpose." He may also purchase, sell or utilize any natural resources such as lands, minerals, fur, game, fish, water, water powers or forests, provided they are the property of the Crown.

### **Expropriation Proceedings**

In expropriation proceedings, the minister is empowered to take over the property concerned by sending a written notice to the owner informing him of his intention. Upon receipt of a notice that the land has been so expropriated, the registrar of the "proper land titles office" shall issue a certificate of title to the government, "free from all liens, mortgages and encumbrances."

In the case of failure to reach an agreement on the amount of compensation to be paid, the matter is to be referred to "one arbitrator," a judge of the Court of King's Bench. The latter's finding may be carried to the Court of Appeal, whose decision shall be final, "and not subject to further appeal."

In determining the amount of compensation, the arbitrator is to take into consideration such factors as value of land, the "fair replacement value" of land or machinery or plant, with reasonable deductions for de-

preciation, damage to remaining property, and costs of any fencing thus made necessary. If however, the value of the remaining property is increased by new works undertaken, that amount may be deducted from the sum paid in compensation.

If agreement on the compensation issue is reached without trouble, the minister is to pay the agreed-on amount within three months.

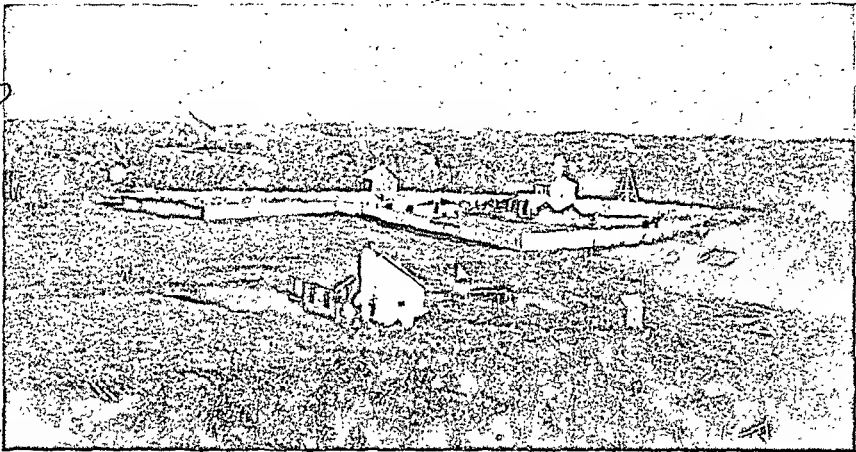
As to costs of arbitration, they are to be borne by the claimant if the "difference between the sum awarded and the amount offered by the minister is less than the difference between the sum awarded and the amount claimed." In the reverse case, the minister is to pay the costs.

### **Mineral Taxation Act**

In the Mineral Taxation Act, "owner" is described as a person who owns "any mineral or minerals whether or not the title thereto is severed from the title to the surface." "Minerals," in the terminology of the act, "includes all minerals and mineral substances, precious and base, and all combinations thereof." Owners of such minerals are liable to the taxes as enumerated above.

The provincial assessor is to make a fair valuation on all minerals, in which he may resort to "all sources of available information." Mineral owners are to give the assessor all information necessary to help him prepare his assessment roll.

Any person who believes he has been incorrectly assessed may appeal to the Saskatchewan Assessment Commission, with the decision of



**A Fox Ranch at Punichy**

the Commission "final and conclusive." Assessment notices are to be sent to owners within ten days of the posting of the assessment roll, stating the amount of the tax payable and the last date upon which an appeal may be lodged.

Penalties are added to the taxes for failure to pay them in time, at the rate of 5 percent of the amount remaining unpaid, while failure to pay

the taxes, and arrears and penalties, within a time totalling one year and a half after the taxes become due, entitles the minister to take over the mineral rights concerned.

During debate, Mr. Phelps maintained that at least 10 percent of the sums obtained as a result of developing natural resources should be returned to the province. On some developed mineral areas in the province, the government received no tax or royalty at all, he said. He pointed out that companies such as the Hudson's Bay Company and the Canadian Pacific Railway had been large holders of mineral rights for years, without paying any tax to the province. The Mineral Taxation Act aimed to make them contribute their fair share.

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## More Power to L.G.B.

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Drouth and depression have left their mark on Saskatchewan, and nowhere is that more apparent than in financing operations of municipalities and school districts of the province. Loans floated by way of debentures, notes and other securities in the "good" years, when there appeared to be every prospect of meeting these obligations when they fell due, became impossible burdens of debt for many of the municipalities concerned. Some municipalities, of course, have been more fortunate than others, and have been able to keep their heads above the morass of debt. But the financial affairs of many of them became so badly tangled during the 1930's that special measures were necessary to help them out.

This problem has been the special headaché of the Saskatchewan Local Government Board, whose province it is to keep a watchful eye over the financial set-up and operations of the local governing authorities.

To meet the situation created by a decade of failing crops and dwindling markets, there was placed on the statute books of the province a Local Government Board (Temporary Powers) Act, which gave the Local Government Board complete authority to effect adjustments in the debts of municipalities, village and rural school districts and rural telephone companies in the hard-hit drouth areas of the province. Its decisions were binding, on municipality and bond holders alike.

Under the old Local Government Board Act itself, rulings of the Board affecting cities, towns and their school districts, were not binding unless 51 percent of the bond holders concerned approved the decision.

### **Consent Not Required**

The present Saskatchewan Government, believing that the old act was unsatisfactory, at the recent special session of the legislature passed legislation amending the Local Government Board (Special Powers) Act, the main feature of which was removal of the clause whereby 51 percent of the bond holders have to give their consent before a ruling of the Board can become effective. This means that in future, a board decision will be binding and effective on both municipality and bond holders, whether or not consent of the latter has been obtained.

The act itself sets forth that orders made under certain clauses (those dealing with changes or amendments in agreements, the issuing of new debentures, the retirement or cancellation of old ones, the reduction of principal or interest payments, the fixing of terms of new debentures, etc.), shall "become effective and binding upon all persons affected thereby on the expiration of sixty days after the date of publication thereof in the Gazette . . . unless rescinded or varied by the board or unless an application for a re-hearing is made."

### **May Lodge Protests**

Debenture holders, as well as others concerned, however, are given the right to appear before the board and state their case.

"Any person affected by, and who objects to any order" of the board, says the act, may give notice of his objections to the board, "specifying in what particulars he objects to the order," and ask for a re-hearing. Upon receiving such an application, the board will set a time and a place for the re-hearing, at which "full opportunity shall be given to all interested persons to appear, to uphold the order or the objections thereto."

The board may then "rescind the order, or vary or confirm its terms," although its decision will be "final and binding upon all persons affected thereby."

Board orders specifically dealt with in this section of the act are those: varying, amending or rescinding an agreement or compromise confirmed by the board under statutory authority; directing the issue of new debentures, notes or other forms of security in substitution for any outstanding indebtedness; effecting or directing retirement and cancellation of any outstanding debentures; reducing the whole or any part of either principal or interest due on any existing debt; fixing terms upon which new debentures shall be exchanged for outstanding debentures; directing the rebating or refunding of arrears of interest payable on any municipality or school district debt; fixing the terms, including times of payment and rates of interest, on new debentures to be issued.

### **Extension of Principle**

Defending the measure in the legislature, Attorney General J. W. Corman, K.C., said the bill introduced no new principle, that it merely extended the principle involved in the Local Government Board (Temporary Powers) Act, described above. He added that the legislation had been requested twice by the Association of Saskatchewan Urban Municipalities.

"We say that as a province, having created municipalities, we should have the right to see that they function properly," said Mr. Corman. He was not alarmed by the possibility of unfair rulings by the board.

"Even if an error was to be made by the board," added the attorney general, "it might be a welcome change to have an error made in favor of the struggling municipalities and not in favor of the bond holders."

No improvement in general credit in the province could be expected, stated Mr. Corman, while any municipalities remained in default: "The best thing to do is to put them on their feet."



# Old Boards Abolished

Designed to abolish certain boards and commissions, and to concentrate their authority and responsibilities in the hands of a cabinet minister in charge of a department, where in the view of the present Saskatchewan Government it properly belongs, several acts were repealed and other changes made at the 1944 fall session of the legislature.

Under this legislation, the Farm Loans Board and the Provincial Tax Commission were abolished. Their duties will in future be carried out by the provincial treasurer and the treasury department.

Involved was repeal of the Saskatchewan Farm Loans Act, and substitution for it of a new Farm Loans Act; repeal of the Provincial Tax Commission Act, and amendments to the various taxing acts, whereby the term "Provincial Tax Commission" is replaced by the word "treasurer."

Government spokesmen stressed, in debate in the legislature, that abolition of the farm loans board and the provincial tax commission was in line with declared policy of discontinuing such bodies and placing their functions under departments, their direction under cabinet ministers.

## An "Unnecessary Board"

In connection with the farm loans board, Premier T. C. Douglas said the CCF had a plank in its platform promising abolition of all "unnecessary boards." The board, although it had given a service, was no longer loaning money. Therefore, said Mr. Douglas, "we classify this board as an unnecessary board."

If it became necessary, said Mr. Douglas, "we will not hesitate to bring in legislation to enable the government to go into the lending business."

Under the act, work of the farm loans board is transferred to the treasury department, Provincial Treasurer C. M. Fines explained. He said the board was set up in 1917 to enable farmers to get credit, added that it had not made any loans in the past 10 or 12 years. Collection of moneys owing the board and disposal of land held by the board would be the two functions of the farm loans branch of the treasury, said the minister. He added that a uniform policy for disposal of crown lands and land held by the board would be worked out.

Under the Farm Loans Act the provincial treasurer may acquire and hold property obtained under the act, including farm lands, and he may operate these lands or dispose of them "as he deems advisable." He may also undertake financing of purchasers and lessees of land from the Saskatchewan farm loans board, may also finance persons "on whose land he holds a mortgage under the provisions of this act." He is also empowered to take additional security for advances in connection with such loans.

## **Assets Transferred**

All assets of the Saskatchewan farm loans board are "transferred to and vested in the provincial treasurer (the Crown) without registration of any kind," according to the act. Civil actions or any other legal proceedings, commenced in the name of the Saskatchewan farm loans board, may be continued in the name of the provincial treasurer without an application to the courts being necessary.

With the approval of the Lieutenant Governor in Council, the provincial treasurer may borrow such sums of money as are "required for the purposes of this act." All sums of principal repaid to the treasurer are to be deposited in the consolidated fund, to be disposed of subject to the approval of the treasury board. This money may be used to acquire property or, to advance loans, or to buy bonds "issued under the provisions of the Saskatchewan Farm Loans Act."

The treasury board will determine the rate of interest to be charged on loans, and may change this rate from time to time, although it must "not be increased beyond the rate specified" in any agreements or contracts entered into by the Saskatchewan farm loans board or to be entered into by the provincial treasurer.

The act specifies that a borrower may make payments of principal or interest on his loan in excess of what he is required to pay, such excess payments to be credited "first upon the last deferred payment of principal, then so far as it will extend on the next latest deferred payment." Such payments, however, do not relieve the borrower from "meeting his immediately subsequent payments punctually as they fall due."

## **Has Full Recourse to Law**

The provincial treasurer may take full advantage of the remedies provided by the law if a mortgagor has failed to apply the proceeds of a loan to "the purposes agreed upon between himself and the provincial treasurer," or if, in the opinion of the provincial treasurer, he has allowed his property to deteriorate to such an extent as to "prejudice his security under the mortgage."

Responsibility of the executive to the legislature was evaded by the use of boards, said Mr. Fines in referring to abolition of the Provincial Tax Commission. The commission was set up in 1938, and consisted of one tax commissioner, who had the power to assess and collect all taxes receivable under a number of tax acts, such as the Public Revenue Tax Act, The Succession Duty Act, the Corporations Taxation Act, the Income Tax Act, the Education Tax Act and the Fuel Petroleum Products Act.

The act repealing the Provincial Tax Commission Act states that where any reference is made to the provincial tax commission, the commission, the provincial tax commissioner or the commissioner, "such expression shall mean the provincial treasurer."

Similarly, amendments to the Treasury Department Act provide for substitution of the terms "treasurer" for "provincial tax commission."

